

MEMORANDUM

From: Hank Naughton
To: Municipal Officials
RE: **FIRE TRUCK COST RECOVERY PROGRAM**

I. Summary

Multiple municipalities have filed antitrust lawsuits against the three largest fire truck manufacturers (controlling 70-80% of the U.S. market) and their trade association, alleging a conspiracy to fix prices, suppress production, and artificially inflate costs dating back to 2016. Fire truck prices have doubled in the last decade while wait times have tripled, straining municipal budgets and creating public safety concerns.

II. Background & Crisis Overview

A. Key Statistics:

1. Fire truck prices have doubled in 10 years (average pumper now exceeds \$1 million, up from ~\$500K)
2. Wait times have increased from 18 months to over 4 years
3. Market controlled by three manufacturers: Oshkosh, REV Group, and Rosenbauer America

B. The Problem:

1. Municipalities are forced to operate aging fire trucks 30+ years old (vs. 15-20 year expected lifespan)
2. Increased breakdown frequency and difficulty obtaining replacement parts
3. Public safety at risk due to gaps in fire protection systems
4. Municipal budgets severely strained

C. Real Example:

1. Oshkosh Fire Department purchased two identical engines in 2020 for \$639,900 each
2. In 2026, one nearly identical engine cost \$1,142,085
3. That's nearly double in less than 4 years

III. The Allegations

A. Primary Claim:

Violation of Section 1 of the Sherman Antitrust Act - conspiracy to unreasonably restrain trade and commerce

B. Alleged Anticompetitive Conduct:

1. Price Fixing - Coordination among competitors to artificially inflate fire truck prices
2. Production Suppression - Deliberately restraining manufacturing output to create artificial scarcity and justify higher prices
3. Market Manipulation - Using industry backlogs as justification for "floating prices" (retroactive price increases after orders are placed)
4. Information Sharing - Exchange of confidential, competitively sensitive economic data through the Fire Apparatus Manufacturers' Association (FAMA)

C. The Mechanism:

1. Manufacturers allegedly used FAMA to facilitate coordination
2. FAMA collects economic data from manufacturers, sends to third-party consultant for compilation, then distributes reports back to members
3. Annual meetings and ongoing communications allegedly allowed competitors to monitor each other's decisions
4. This coordination allegedly enabled them to move prices in lockstep

D. Timeline:

1. Conspiracy allegedly dates back to at least 2016
2. Coordinated conduct allegedly continues through 2025

IV. Jurisdictions

Related antitrust actions have been filed in multiple jurisdictions, including **Massachusetts and Wisconsin**, with additional filings anticipated as the litigation develops. These actions allege a nationwide conspiracy affecting municipal fire truck purchases across the United States.

V. The Defendants

A. Oshkosh Corporation (Wisconsin)

1. Owns Pierce Manufacturing subsidiary
2. Approximately 25% of U.S. market share after recent acquisitions (2021-2022)
3. One of the three dominant manufacturers

B. REV Group Inc. (Brookfield, Wisconsin)

1. Major manufacturer with significant market presence
2. One of the three dominant manufacturers

C. Rosenbauer America LLC (South Dakota)

1. One of the three dominant manufacturers
2. Together with Oshkosh and REV Group, controls 70-80% of U.S. market

D. Fire Apparatus Manufacturers' Association (FAMA)

1. Trade association allegedly facilitating information exchange and coordination
2. Accused of creating the platform for competitors to share confidential data
3. Enabled monitoring of competitor pricing and production decisions

VI. Damages Being Sought

A. Financial Remedies:

1. Treble Damages - Under federal antitrust law, plaintiffs can recover triple damages (3x actual harm). This is mandatory under the Sherman Act to deter anticompetitive conduct.
2. Overpayment Recovery - Compensation for inflated prices paid by municipalities since 2016

B. Additional Relief:

1. Permanent Injunction - Court order to halt all alleged anticompetitive practices
2. Legal Costs - Reimbursement of attorneys' fees and litigation expenses
3. Declaratory Relief - Judicial declaration that defendants violated antitrust laws

C. Class Action Scope:

1. These are proposed class actions
2. If certified, thousands of fire departments and municipalities who purchased fire trucks since 2016 could benefit from any settlement or judgment

VII. How to File or Join a Lawsuit

A. Who qualifies:

1. Municipalities, fire departments, fire districts, or other government entities
2. Purchased fire trucks from any defendant since approximately 2016
3. Paid inflated prices as a result of the alleged conspiracy

B. Documentation Needed:

1. Date of purchase or order
2. All purchase records from 2016 to present
3. Manufacturer and model purchased
4. Original quoted price vs. final price paid
5. Delivery timeline (quoted vs. actual)
6. Any “floating price” adjustments or retroactive increases
7. Documentation of operational impacts (aging equipment, safety concerns)